

Acquest / Benchmark Partnership

October 8, 2001

**Subject: Acquest / Benchmark Proposal
Fort Baker Retreat and Conference Center**

Dear Friend,

On August 31st of this year our team submitted its proposal to the National Park Service for the creation of a Retreat and Conference Center at Fort Baker. Our submittal represents nearly two years of effort to craft a proposal responsive to the goals of the NPS and the citizens of Sausalito and Marin County. Working with our San Francisco based consultant team, we have put forth a proposal that achieves those goals and does justice to the fabulous setting Fort Baker offers.

Attached to this letter is a summary of our proposal, including illustrative site plan and perspectives, as well as a listing of our team. This information may answer some of the questions you may have about our proposal.

Our Conference Center:

- Is small – containing 151 lodging units
- Has low traffic impacts – generating fewer trips than anticipated by the NPS' EIS
- Enhances sustainability – reducing energy consumption and using recycling
- Preserves history – rehabilitating the historic buildings and landscape
- Supports education – through Conference Center, Ft Baker Institute, and Sausalito / Marin City School District programs
- Removes non-historic buildings – creating more open space within the GGNRA
- Provides for local community input – using a public / private funding vehicle

As you review the information in the fact sheet and illustrations you will learn specifics about the way we will achieve these goals.

Please do not hesitate to call, e-mail, or write me with any additional questions you may have.

Sincerely,

Joan Cleland
Executive Vice President

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Attachments

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**SUMMARY OF THE ACQUEST/BENCHMARK TEAM'S
PROPOSAL FOR
THE FORT BAKER RETREAT AND CONFERENCE CENTER**

DEVELOPMENT PROGRAM AND PLAN

The Conference Center is composed of 151 lodging units, approximately 20,000 square feet of meeting space, and approximately 7,500 square feet of dining facilities for conferees. These facilities will be housed primarily within Fort Baker's historic buildings. Two new buildings, one containing lodging units and the other meeting space, will be built on Murray Circle designed to be compatible with their historic neighbors. Recreational amenities, to be housed within the refurbished gymnasium, will include a fitness center and bicycle rentals available for use by guests.

Two non-historic Capehart units are intended for use as sustainability interpretive demonstration locations. In addition three historic bungalows located within the non-historic area are reserved for employee housing.

The removal of eleven non-historic Capehart units allows the Regimental Chapel to serve as the centerpiece of a new school campus for the Sausalito-Marín City School District. Construction of this school would be within the parameters of the FEIS for building area and traffic impacts. While attending this school to receive their basic education, children will learn of sustainable design's potential to reshape our planet's environmental future by living within a landscape and buildings designed following those principals.

MANAGEMENT PLAN

Benchmark Hospitality operates a diverse range of properties, including a number in Northern California. Their organization is adept at customizing its management approach to the unique physical attributes of each facility to exploit all of its advantages in the marketplace.

It is anticipated that approximately 80% of the property's revenues will be generated by group meeting business. The mix of business will focus on group meeting users from the corporate, association and education market segments. The primary meeting product offering will be the Complete Meeting Package (CMP) designed to appeal to the segment of the market, which is booking multi-day meetings and conferences. We anticipate an Average Daily Rate (ADR) of \$350 in the first year of operation that rises to \$375 in our stabilized year of operation.

The facilities at the Retreat and Conference Center at Fort Baker will be designed to meet or exceed the International Association of Conference Center's (IACC) guidelines and will include a variety of guestroom configurations and price points within the historic building structures, a three meal a day restaurant, (primarily for the use of conferees), a pub/café, a fitness center and variously sized meeting and conference rooms.

Within all conference and meeting market segments, Benchmark will focus its marketing efforts toward promoting the benefits of The Retreat and Conference Center at Fort Baker as a primary location for strategic conferences within the Sustainable Design Movement. Benchmark will

coordinate with the National Park Service in promoting and marketing its programs and intends to enter into an agreement with the NPS to reserve at least 20% of total available rooms at a per diem rate for the Fort Baker Institute. Additionally, the Institute will share office and meeting space with Benchmark's administrative and marketing personnel in Building 533, the former hospital building.

FINANCING PLAN

Our team's tax-exempt financing plan assumes a Total Development Cost Budget of \$40 million. Tax-exempt financing provides the lowest cost of capital available in the market to finance such a project, therefore minimizing the number of lodging rooms required for economic feasibility. The plan relies upon the cooperation of local and/or regional governmental agencies to form a Joint Powers Authority (JPA) that in turn cooperates in the formation of a Special Purpose Ownership Entity (SPOE) whose board of trustees are selected by the JPA from members of the community. Once formed the SPOE becomes the developer and owner of the project, and becomes the lessee of the property offered by the NPS.

This plan allows for maximum local control and participation by the community in the development of the project.

TRAFFIC MITIGATION

Utilizing a market plan to attract multi-day conferences, the Conference Center's transportation planning utilizes a number of creative approaches to minimize trip generation and discourage the need for private automobiles. Our team's general approach to transportation and parking demand management for the project is a three-pronged approach:

- **EDUCATE** – Guest and employee education programs about the benefits of using alternative modes of transportation and off-site parking alternatives; marketing programs that focus on a true sustainable “retreat” environment complete with proposed alternative modes of transportation as an integral part of the conference/retreat experience; disincentive programs that discourage single occupancy automobile travel.
- **IMPLEMENT** – Provide first rate, reliable network of alternative modes of transportation and off-site parking alternatives, including a Project sponsored shuttle service for on-site and off-site use.
- **COORDINATION AND OVERSIGHT** – Provide for a project Traffic Demand Management (TDM) Coordinator as part of our team's commitment to coordinate with Park Partners and the local community and to oversee the Plan's success.

SUSTAINABILITY

An integrated sustainable design has been developed for the Conference Center, which incorporates architectural, mechanical/electrical system, structural, landscape, and civil engineering design disciplines. The proposed design responds to the NPS design guidelines and performance criteria, including our adoption of the LEED green building rating system. The

resulting project design provides architectural, HVAC, electrical, lighting, plumbing, and building control systems that will result in improved sustainable design performance.

The following factors are the foundations of the project's design:

- Detailed design will be based on an overall level of quality and maintainability commensurate with first class conference facilities;
- The rehabilitation of existing buildings and construction of new buildings will be designed in accordance with both NPS and local codes/standards;
- The environmental systems will be selected and optimized for long-term efficiency and flexibility; and,
- Sustainable design practices shall be followed in the conference center's design including reuse of historic buildings, improved building exterior envelope performance, operable windows and many more.

The application of these principals will allow us to achieve a LEED project rating of Silver or higher as result of collaboration with other governmental units.

BENEFITS

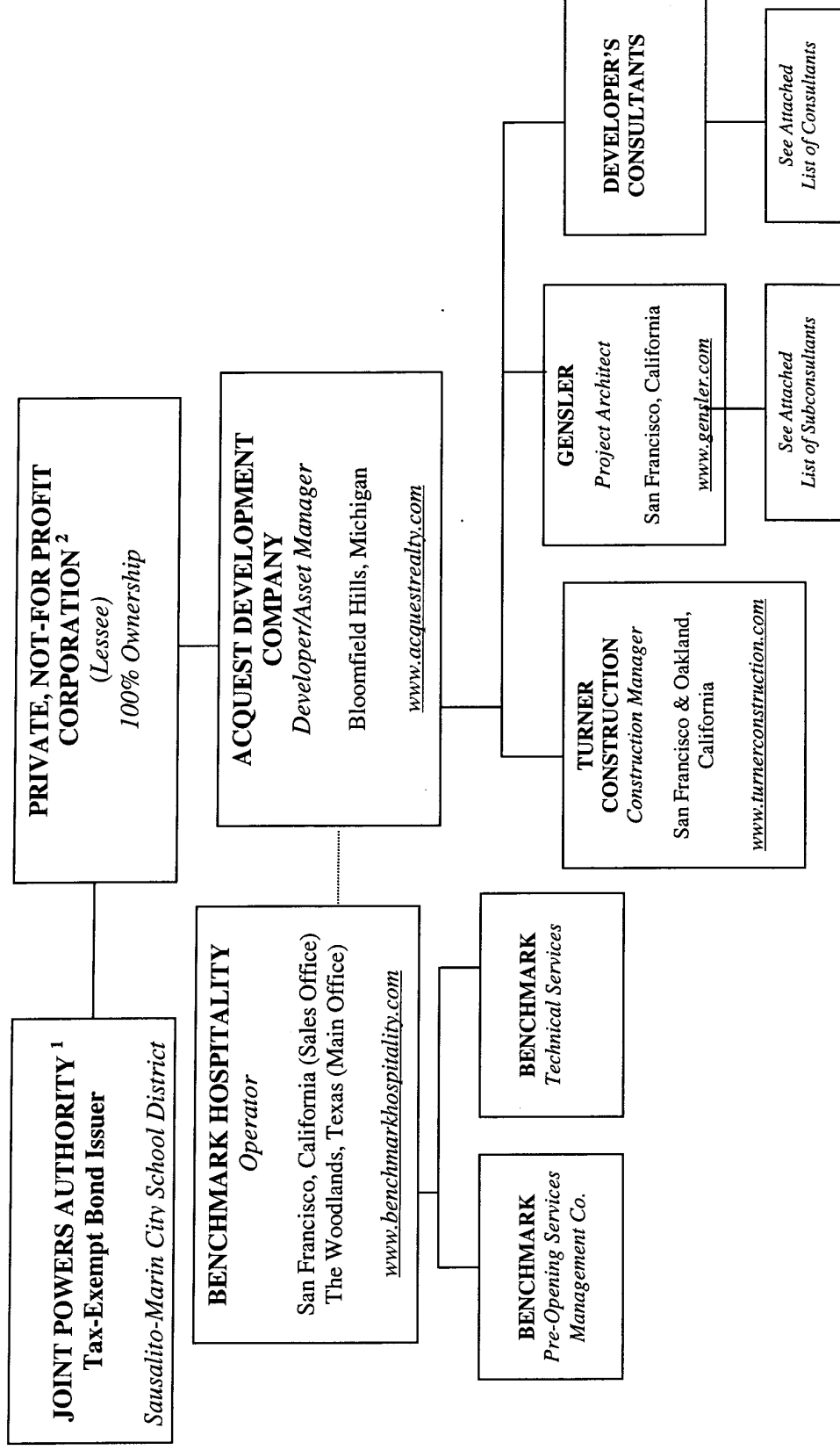
We believe that the Acquest/Benchmark Plan is uniquely structured to create a project that best addresses the needs and desires of all of the various stakeholders involved; the community, the National Park Service and the GGNRA.

The formation of a locally based Special Purpose Entity, whose board of trustees is chosen from the community at large, ensures local control and participation. Our plan provides for the creation of employee housing on site and identifies a school site within Fort Baker's capehart area for use by the Sausalito – Marin City School District.

We believe that one of the GGNRA and NPS's major goals is to create an economically self-sufficient project that at a MINIMUM pays for itself while at the same time achieving the sustainability, historic preservation, traffic mitigation and Fort Baker Institute goals set out in the RFP. Our plan achieves these important goals while at the same time minimizing the size and scope of the project and its impact on the environment and the community.

ACQUEST/BENCHMARK TEAM

RETREAT & CONFERENCE CENTER AT FORT BAKER ORGANIZATIONAL CHART



¹ JPA to be formed between School District and one or more local and/or regional governmental agencies

² Board of Trustees, appointed by JPA, typically includes community leaders and local government officials

**GENSLER'S
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SWA Group
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Weir/Andrewson Associates, Inc.
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**DEVELOPER'S
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